

**Non-payment of dues to sugarcane growers in Karnataka**

**1238. SHRI H.K. JAVARE GOWDA:** Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that lakhs of sugarcane growers in Karnataka have been put to misery because of financial inviability of the sugar mills on account of the collapse in sugar prices and the factories are not paying the amount due to the farmers; and

(b) if so, the amount due to the farmers for the past two years and the steps Government propose to take for payment thereof?

**THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD):** (a) No Sir. The wholesale prices of S-30 grade of sugar in the 4 principal markets of the country *viz.* Delhi, Kolkata, Mumbai and Chennai during the season 2000-2001 ranged between Rs. 1310 to Rs. 1650 per quintal as against Rs. 1326 to 1700 per quintal during the previous sugar season 1999-2000.

The cane price arrear position for the country as a whole during the last two sugar seasons as on 30th September is as under:—

Season	Total Price Payable	Total price paid	Arrears	(Rs. in Crores) % of arrears on price Payable
2000-2001	14358.14	13761.24	596.90	4.2
1999-2000	10868.81	10338.67	530.14	4.9

The percentage arrear of cane price for the seasons 2000-2001 was 4.2 as against 4.9 during season 1999-2000 inspite of higher volume of cane crushing by sugar factories in the season 2000-2001.

According to Government of Karnataka, all the sugar factories except a few have been paying cane price dues to the farmers without any unnecessary delay. In case of two sugar factories the State Government has issued certificate as per clause 3 (B) of sugar cane control order to the District Magistrate of the concerned districts to recover cane price arrears as arrears of Land Revenue. However, these factories have filed writ Petitions in the Hon'ble High Court of Karnataka and necessary action is being taken by the State Government to get the stay vacated.

(b) The details of amount due to the farmers supplying sugar cane to the Karnataka sugar mills for the past two sugar seasons are given below:—

Season	As on	Total	Total price	Arrears	% of arrears on price Payable
		price Payable	paid		
2000-2001	30.9.2001	117283.72	110301.72	6982.00	5.95
1999-2000	30.9.2000	81510.76	74624.47	6886.29	8.45

The percentage arrear of cane price for the season 2000-2001 was 5.95 as against 8.45 during the season 1999-2000. The percentage of cane price arrears in 2000-2001 was lower inspite of higher volume of crushing by the sugar factories in the season 2000-2001.

Government of Karnataka has arranged term loans and other pledged loans to some of the Sugar Factories towards clearance of dues by providing guarantee in favour of sugar factories.

#### Grain Banks

1239. SHRI SOLIPETA RAMACHANDRA REDDY: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether there is any proposal under Government's consideration to set up grain banks in the country;
- (b) if so, the details of such banks to be set up, State-wise; and
- (c) the details of the financial assistance expected to be released to these banks annually and by when, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN): (a) to (c) Government has been implementing a Central Sector Scheme of Grain Banks in tribal villages since 1996-97 in 13 States. Recently, the Standing Committee of Union Ministers and Chief Ministers on Food Management and Agriculture Export has recommended to expand the village Grain Bank Scheme with some modifications in all those endemic prone and migration prone areas with concentration of tribal population and also in other tribal areas. It has also been proposed to expand the scheme in non-tribal areas, if, need be at a later stage.